

**North Dakota Department of Commerce  
Division of Community Services**

**COMMUNITY SERVICES BLOCK GRANT**

**2005 Annual Report**

**April 2006**

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***The Community Services Block Grant (CSBG) is a critical funding source for North Dakota. The anti-poverty program enables the State, Community Action Agencies (CAAs), and other partner agencies, to address unmet needs of low income families and the communities in which they live. The flexibility of CSBG provides the CAAs with opportunities to collaborate with other community and faith based organizations, governmental entities and communities. Each CAA is unique in the services they provide because they attempt to “fill the gaps” and address unmet needs in their service areas.***

## **North Dakota CSBG Entities**

### **Community Action Opportunities**

2020 8<sup>th</sup> Avenue SE

Minot, ND 58701

The CAA is located in Region II and serves the counties of Bottineau, Burke, McHenry, Mountrail, Pierce, Renville and Ward.

### **Dakota Prairie Community Action Agency**

223 4<sup>th</sup> Street

Devils Lake, ND 58301

The CAA is located in Region III and serves the counties of Benson, Cavalier, Eddy, Ramsey, Rolette and Towner.

### **Red River Valley Community Action**

1013 North 5<sup>th</sup> Street

Grand Forks, ND 58203

The CAA is located in Region IV and serves the counties of Grand Forks, Nelson, Pembina and Walsh.

### **Southeastern ND Community Action Agency**

3233 South University

Fargo, ND 58104

The CAA is located in Region V and serves the counties of Cass, Ransom, Richland, Sargent, Steele and Traill.

### **Community Action Region VI**

1311 12<sup>th</sup> Avenue NE

Jamestown, ND 58402

The CAA is located in Region VI and serves the counties of Barnes, Dickey, Foster, Griggs, LaMoure, Logan, McIntosh, Stutsman and Wells.

### **Community Action Program Region VII**

2105 Lee Avenue

Bismarck, ND 58504

The CAA is located in Region VII and serves the counties of Burleigh, Emmons, Grant, Kidder, McLean, Mercer, Morton, Oliver, Sheridan and Sioux.

### **Community Action Partnership**

202 East Villard

Dickinson, ND 58601

The CAA is located in Region VIII and serves the Region VIII counties of Adams, Billings, Bowman, Dunn, Golden Valley, Hettinger, Slope and Stark; and the Region I counties of Divide, McKenzie and Williams.

## ***Introduction***

The Community Services Block Grant (CSBG) represents the third generation of community-based anti-poverty programs which began with the Economic Opportunity Act of 1964. The Economic Opportunity Act of 1964 created a vehicle for local anti-poverty initiatives through nonprofit, private corporations called community action agencies (CAAs). The CAA board of directors, which govern CAA activities, is required to consist of one-third elected public officials; one-third democratically-selected representatives of low-income persons; and the remainder of the members to be representatives of business, industry, labor, law enforcement, religious, educational groups or other major groups or interests in the service area.

The Department of Commerce, Division of Community Services (DCS), is the state entity that administers the block grant in North Dakota. The seven CAAs in the state are funded through the CSBG and provide services throughout the state.

## ***Program Purpose***

The purpose of CSBG is to provide assistance to states and communities, working through community action agencies and other neighborhood-based organizations, to reduce poverty, revitalize low-income communities and empower low-income families and individuals to become self-sufficient. The objectives of the grant are as follows:

- to strengthen community capabilities for planning and coordinating all resources that support efforts to eliminate poverty, in order to respond to local needs and conditions;
- to organize a range of services to address the needs of low-income families and individuals, so they have a major impact on the causes of poverty in the community and help families and individuals to become self-sufficient;
- to strengthen innovative and effective community-based approaches to attack the causes and effects of poverty and of community breakdown;
- to maximize the participation of low-income community residents and members of groups served through the Act, to empower them to respond to the problems and needs in their communities;
- to broaden the resource base of programs that address the elimination of poverty;
- to secure a more active role by private, religious, charitable and neighborhood-based organizations as well as individual citizens, and business, labor and professional groups who can influence the number and quality of opportunities and services for low-income people.

***Federal Administration***

CSBG is administered by the Office of Community Services (OCS) of the US Department of Health and Human Services (DHHS). The state is required to submit an application and state plan to OCS prior to receiving funding from the block grant. The Governor, or his designee, must sign the plan and assurances before the application and plan are submitted to OCS. As required by federal law, a public hearing and a legislative hearing must be held on the application and plan before being submitted to OCS. North Dakota submitted an application and plan for FY2004 and FY2005 funding in August of 2003. The legislative hearing was held on January 13, 2003, and the public hearing was held on August 7, 2003.

***State Responsibilities***

The CSBG in North Dakota is totally funded by federal funds. In addition to developing the application and state plan on the use and distribution of CSBG funds, the state provides OCS with an annual report which includes information on statewide activities that were performed, program outcomes, services that were provided, demographic information on the individuals and families served and information on how the funds were expended by the CAAs and the state during the grant year.

Federal law requires that each CAA must submit an application and work plan to the state CSBG office in order to receive CSBG funds. The state is responsible to ensure that the services provided through the CSBG funds received by the CAA will be used to support the program's purpose.

The State is responsible to administer the CSBG funds, monitor how the funds were expended to ensure compliance with the federal law, and provide training and technical assistance to recipients of CSBG funds. The state partners with the CAAs and other entities providing services for low income individuals and families to reduce poverty, revitalize low-income communities and empower low-income families and individuals to become self-sufficient. The state also ensures that each CAA has an annual audit prepared by an independent auditing firm, of all funds received and disbursed by the CAA. In North Dakota, eligibility for services provided through the CSBG is at or below the 125% of poverty level.

***2005 Allocation Distribution***

The CSBG Act requires a minimum of 90% of the state's annual CSBG allocation to be passed through to the CAAs. To better serve the low income population, North Dakota distributed 91% of the allocation as pass-through funds to the CAAs. DCS retained 4%, instead of the allowable 5%, of the allocation for CSBG administrative expenses incurred at the state level. The remaining 5% of the allocation was applied towards special projects within the limits established by the CSBG Act. These discretionary funds were used for training and technical assistance in support of local programs, support of services and programs for low income individuals and families, support of statewide coordination and communication among eligible entities and support of other activities consistent with the CSBG law.

North Dakota's CSBG allocation for 2005 can be found in Table I:

<b>TABLE I</b>		
<b>North Dakota's 2005 CSBG ALLOCATION</b>		
CAA Pass-through Funding	(91%)	2,793,960.26
State Administration	(4%)	122,811.44
Special Projects/Discretionary Funds	(5%)	153,514.30
TOTAL ALLOCATION		3,070,286.00

### ***State CSBG Funding***

State Administration funds were used for DCS administrative and operational costs of the State CSBG office, including monitoring and technical assistance provided to the CAAs. The Discretionary funds were used for training of CAA staff, support of the CAAs and the ND Community Action Association (NDCAA), CAA demonstration projects and support of the Homeless Continuum of Care project. NDCAA is the statewide entity, representing all 7 of the CAAs, that enables the CAAs to work together on addressing statewide low income needs.

### ***Distribution of Funds to Eligible Entities***

The CAAs in North Dakota rely heavily on the CSBG pass-through funds to provide services within their respective service areas. Most local governments and counties do not contribute towards CAA operations. The CAAs operate in multi-county jurisdictions, differing in size and population. DCS utilizes a formula for distributing pass-through monies among the CAAs which reflects the distribution of the low income population based on the U.S. Census, the relative size of their service areas and a minimum base funding level for each agency. However, the CSBG law requires that a CAA shall not have its funding reduced below the proportional share of funding the entity received in the previous year unless the state determines there is cause to reduce that funding.

The funding formula, updated in 2002 with 2000 Census data, provides a base funding level equal to the greater of 28.74% of the pass-through funds divided equally among the eight regions, or a minimum of \$104,735; \$1,000 for each county the CAA serves; with the remaining pass-through funds being distributed in direct proportion to each CAA service area's share of the state's low income population.

The state attempted to address CAA budget shortfall issues caused by reductions in the federal allocation and the population shifts within the state, by awarding the CAAs with some additional funds outside of the CSBG funding formula. DCS provided bonus/supplemental funding to the CAAs outside of the funding formula in an effort to provide additional CSBG funds to the local level. In 2005 the State supplemented the CAAs, out of State CSBG Administrative funds, with

\$8,200 each, or a total of \$57,400. DCS also awarded \$87,521.98, the balance of 2004 CSBG State Discretionary funds, to the CAAs based on their percentage of low-income people in their service areas.

Financial awards to the CAAs in 2005, based on the funding formula, the bonus/supplemental funds and the remaining 2004 State CSBG Discretionary funds are detailed in Table II:

<b>TABLE II</b> <b>North Dakota's 2005 CSBG DISTRIBUTION TO CAAs</b>					
Region	Proportional Share of Pass-through	Funding Formula Award	Bonus / Supplemental Funds	Balance of 2004 Discretionary Funds	Total 2005 Funds Awarded
II	13.50%	377,184.64	8,200.00	11,841.26	397,225.90
III	12.03%	336,113.42	8,200.00	10,507.94	354,821.36
IV	13.26%	370,479.13	8,200.00	11,565.56	390,244.69
V	18.40%	514,088.68	8,200.00	16,066.22	538,354.90
VI	10.47%	292,527.64	8,200.00	9,319.27	310,046.91
VII	16.84%	470,502.90	8,200.00	14,683.19	493,386.09
VIII & I	15.50%	433,063.85	8,200.00	13,538.54	454,802.39
TOTALS	100.00%	\$2,793,960.26	\$57,400.00	\$87,521.98	\$2,938,882.24

### *Agency Carryover*

By federal law, each CAA retains any carryover funds which were awarded but were not expended in the grant year. DCS provides spending authority for those funds in the next grant year so they can be utilized to carry out the agency's workplan. Table III shows the agency carryover from 2004, added to the agency awards from 2005, resulting in the total CSBG funds available to the agency for use in carrying out their workplan in 2005:

**TABLE III**  
**TOTAL CSBG FUNDS AVAILABLE TO THE CAAs in 2005**

Region	2004 CSBG CARRYOVER	2005 CSBG AWARD	TOTAL CSBG FUNDS AVAILABLE FOR 2005
II	6,406.91	397,225.90	403,632.81
III	142,162.14	354,821.36	496,983.50
IV	84,517.59	390,244.69	474,762.28
V	0.00	538,354.90	538,354.90
VI	101,070.62	310,046.91	411,117.53
VII	76,321.24	493,386.09	569,707.33
VIII & I	50,021.31	454,802.39	504,823.70
TOTAL FUNDS	\$460,499.81	\$2,938,882.24	\$3,399,382.05

***The CAA's Use of Pass-Through Funds and Supplemental CSBG Funds***

CSBG is a flexible funding source that can be used by the CAAs to respond to the poor and address the poverty in which they live. Their approach, through working with other community partners, is to:

- prioritize the needs
- address the causes of poverty
- involve and improve the community
- create opportunities
- provide a flexible, coordinated approach with other community resources to address long term client success of becoming as self sufficient as they can be

The primary categories through which CSBG services are delivered are:

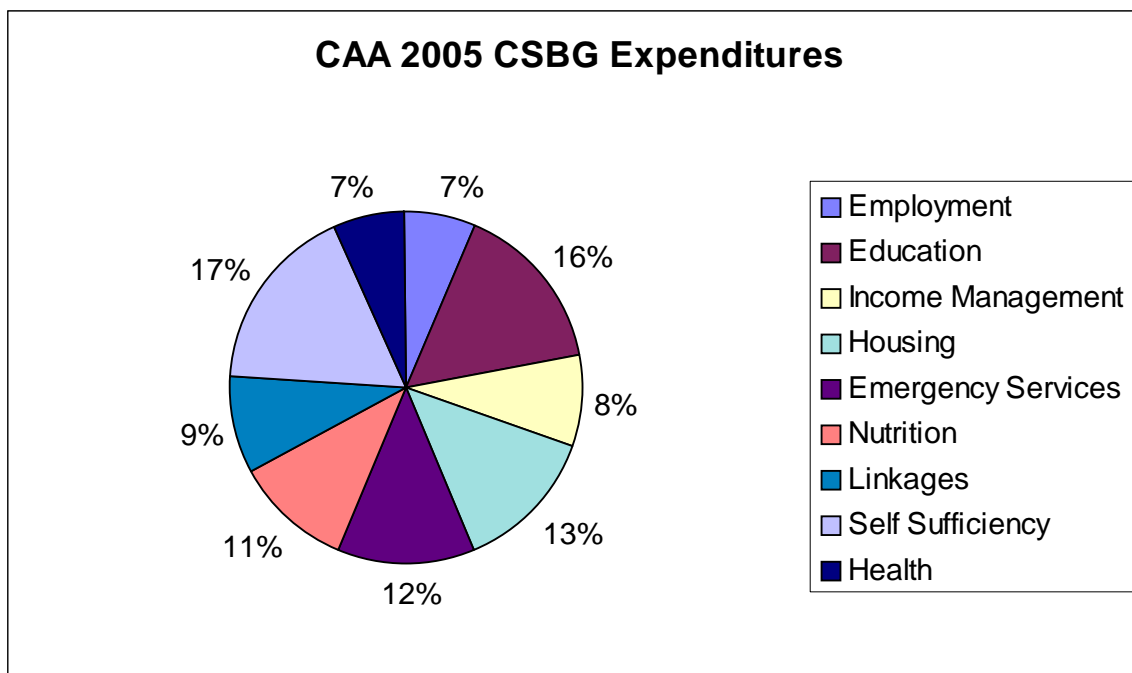
- employment assistance
- education
- income management
- housing
- nutrition
- self sufficiency
- emergency assistance
- linkages
- health

Each CAA uses CSBG funding to provide various programs and direct services, and to collaborate with other community groups to address the needs of low income individuals and families within these primary categories. That is accomplished through:

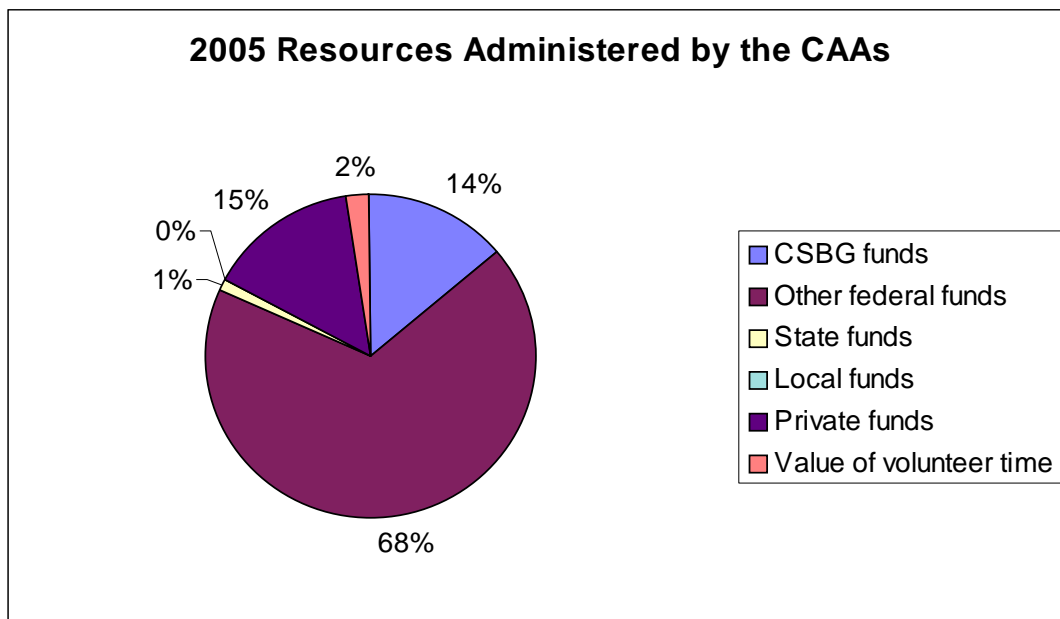


- direct services, including outreach, referral, money management, housing counseling, employment and other services to address basic needs and to help individuals and families become as self sufficient as they can;
- collaboration with other federal, state, local or private funds, in order to implement and administer their other low income assistance programs including Weatherization, Head Start, emergency assistance under the Federal Emergency Management Act (FEMA), HOME housing programs, and surplus commodity distributions;
- help with financing the cost of organizing and/or operating emergency assistance services or facilities, such as food pantries or food banks, temporary housing and abuse shelters, energy and other emergency loan and grant funds;
- assistance with the development and implementation of new services and programs for low income clients.

In 2005, the CAAs expended \$2,766,460 in CSBG funds in their anti-poverty efforts. The chart shows the CAA programs those CSBG funds supported:



With the \$3,399,383 in CSBG funds the CAAs received, they leveraged \$20,513,025 in resources from other federal, state, local and private resources, resulting in a grand total of \$23,912,408:



### ***Results***

Since 1997, the CAAs have utilized outcomes to track the success of their programs and clients. In 2005, states reported on national performance indicators to show national consistency within CSBG reporting. National indicators help to demonstrate the results of what is accomplished through CSBG funding.

The indicators were developed around the six National Goals for CSBG. Those goals and the statewide results for a few of the national indicators for 2005 include:

#### **Goal 1: Low income people become more self sufficient.**

- 92 of the 153 unemployed CAA clients who participated in a CAA employment initiative became employed.
- 846 of the 1,088 CAA clients who sought tax preparation assistance from the CAAs' Volunteer Income Tax Assistance (VITA) program received tax credits amounting to \$782,299.

**Goal 2: The conditions in which low income people live are improved.**

- Through construction, weatherization or rehabilitation services, 29 CAA projects resulted in 2,272 housing units being preserved or increased.
- Through CAA efforts, 7 projects resulted in 768 safe and affordable childcare or child development placement opportunities being created or maintained for low income families.

**Goal 3: Low income people own a stake in their community.**

- Volunteers provided 106,183 hours in volunteer service to the 7 CAAs. Calculating those hours at the federal minimum wage of \$5.15 per hour, those volunteer hours provided \$546,843 of in-kind support to the CAAs.

**Goal 4: Partnerships among supporters and providers of services to low income people are achieved.**

- The 7 CAAs worked with 1,698 different organizations, service providers, and community and faith-based groups to address poverty and the needs of low income individuals and families.

**Goal 5: Agencies increase their capacity to achieve results.**

- \$3,399,383 (14.2%) in CSBG funds enabled the CAAs to mobilize \$20,513,025 (85.8%) in other resources to address poverty in the state.

**Goal 6: Low income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive environments.**

- 3,781 senior citizens and 2,913 individuals with disabilities who received services from the CAAs, were able to maintain an independent living situation
- Emergency Services, provided by the CAAs to address immediate basic needs of low income clients, included:
  - 15,967 low income households received emergency food assistance, such as food baskets and hot meals
  - 2,846 low income households received emergency vendor payments, including fuel and energy bills and rent/mortgage payments
  - 284 low income households received emergency medical care
  - 772 of 964 parents participating in CAA services to strengthen their parenting skills, were able to learn and demonstrate their new skills.

### ***Demographics***

The ND CAAs provided services to 17,227 individuals from 12,428 households in 2005. In addition, they reached 11,882 individuals through other means, such as attendance at CAA sponsored meetings, participation in CAA training sessions, receipt of information and referral services, etc.

A statewide summary of the client demographics depicts the CAA clients as being poor - 71% have an income at or below 100% of poverty, which in 2005 would have been an annual income of \$9,570 for one person or \$12,830 for a two person household. Most of the clients are female (63%). Most of the families (58%) rent, but 32% of the families are purchasing or own their homes. Of those clients, 24 years of age and over, 28% have less than a high school education; 41% graduated from high school or have a GED; and 31% have some college or have graduated from college. Some clients come for emergency assistance because of a major change in circumstances such as illness, divorce, death of a spouse, loss of a job. A number of clients are living on very limited incomes because of their age or a mental or physical impairment - 37% of households are receiving Social Security or Supplemental Security Income. Over 37% of CAA client households are employed, some working two or more jobs. CAA clients are all ages - 30% are between the ages of 0 to 24, 33% are 24 to 44 years of age, and 37% are 45 years and older.

### ***Some Examples of Client Success Stories***

There are many CAA clients who become self sufficient or who are helped due to the assistance provided by the CAAs and their partner agencies. Some examples of client success stories include:

A single mother and her 11 month old baby were homeless when they came to the CAA. They had slept under a bridge for two nights. The mother had a stroller and some food for the baby and a few articles of clothing. The mother hadn't eaten in two days. They were cold and the baby was sick. The mother suffered from depression and didn't have money to buy her medication. The CAA Self Reliance case manager immediately got them some food and diapers from the agency's Food Pantry. They spent the day at the agency while staff coordinated needed services such as food, shelter, clothing, medication and scheduling a doctor's appointment for the baby. Because she was homeless and disabled, the mother met the eligibility requirements for the Shelter Plus Care Program which the CAA also administered. The family was temporarily sheltered in a local hotel while the CAA staff helped the mother locate and move into an apartment. The CAA provided the family with food and non-food items, medication, the security deposit for the apartment, taxi vouchers, clothing and furniture through the Community Services Block Grant (CSBG). The Shelter Plus Care Program paid the rent for the apartment. The mother was very excited and overwhelmed to have a place to call her own. She continues to work with the case manager as she focuses on trying to become self sufficient. She has maintained a safe and stable housing environment for herself and her child for the past five months. CSBG funding was critical for this family. In addition to covering the expenses incurred on behalf of working with the client, CSBG supports all agency programs provided by the CAA including the HUD funded Shelter Plus Care Program.



A family of three worked with the CAA's Money Management Program for eight months. When they initially entered the program, they had four payday loans, personal items at the pawn shop, and the husband needed to complete classes for a DUI charge. The family was under a lot of stress due to their lack of income. When they came to the CAA, the husband was a seasonal worker and was receiving unemployment benefits, and the wife was employed in the medical field. He found part-time work to supplement his income, and she completed training that increased her earnings at work. While working with the CAA's Money Management program, and following a strict budget, this family was able to pay off the payday loans and get their personal items out of the pawn shop. The CAA's Food Pantry provided food for the household in order to free up money they could use to pay other bills and make payments on the loans. They utilized the free Volunteer Income Tax Assistance Program (VITA) at the CAA which saved them money. The CAA made a referral to another agency for assistance with rent and the wife's employer paid one month of their car insurance because she used her vehicle for employment. The family continues to follow a budget and they are thankful for the assistance they received from the CAA. The husband has now obtained full time employment and the family is no longer in need of assistance because they now have the tools to manage on their own. CSBG funds operate the Money Management, Food Pantry and VITA programs that this family accessed for services, the staff time of those workers assisting them, as well as general support to all programs and operations of the CAA.



In September of 2005, a single mother of two came to the CAA with her resume and her budget. She met with a case manager who explained the self sufficiency services available through the agency, and she decided to enroll in the Self Reliance Program. She was unemployed, behind in her rent and utilities, was driving without insurance, and was very depressed. The case manager helped her to prepare a budget, a resume and assisted her in applying for agency scholarship funds to help her with her insurance and to assist her daughter in obtaining her GED. Through the CAA's Energy Share and Emergency Services programs, they assisted her with her electric bill and her water bill. The CAA worked with the Area Homeless Coalition to assist the client with rent and they paid six months of her car insurance. By the middle of October, all of the client's bills were current, and by the end of October, she had a part-time job. The case manager continues to work with her to help her obtain full time employment that offers her advancement opportunities and benefits. CSBG funds the case management position and provides support and assistance to the other services and programs offered through the CAA.

### ***Some Examples of Innovative Programs***

Each year, in addition to some of the ongoing programs and services provided by the CAAs through CSBG and other funding resources, some additional programs are developed or expanded to address the needs of low income families and communities. These are just two examples of innovative programs:

Sportsmen Against Hunger - This is a statewide initiative to address food insecurity in ND that began in 2004. The ND Community Action Association (NDCAA) is the lead agency for this program that provides ND hunters with the opportunity to donate their deer to food processors in their communities. The venison is processed, packaged and frozen for distribution to local food pantries. The CAAs and their volunteers assist with the distribution of meat. Community Food and Nutrition (CF&N) and CSBG Discretionary funds were used to develop and implement the program, with NDCAA working closely with State Game and Fish, local sportsmen's groups, processing plants and communities. To help share in the initial costs of the program, matching funds were made available through CF&N/CSBG for the community's first year of participating in this initiative, so they can start the program immediately. Communities, hunters and processing companies then develop plans as to how they will secure ongoing local funding to continue this endeavor. CSBG funds covered the staff costs, agency operational expenses, etc., as well as supplementing the costs attributed to NDCAA. In 2004, the first year of this initiative, a total of 115 processed deer were donated to food pantries in three of the eight regions of the state. In 2005, there were 241 deer processed and distributed to food pantries in six of the eight regions of the state, so there was a good expansion of the program. Ongoing efforts will continue in 2006 to increase the number of deer donations and the regions of the state involved with this program. In 2005 we also distributed recipes for cooking with venison to help people in utilizing this meat. We contracted with ND State University Extension program and they developed a cookbook with recipes using venison and commodities. These cookbooks are being distributed by the CAAs and NDSU Extension through their Expanded Food and Nutrition Education Program and their Family Nutrition Program. Cooking demonstrations are also being done for participants on some of the recipes in the cookbook at the time the cookbooks are being distributed. CSBG funds are crucial to this ongoing initiative. CF&N and CSBG discretionary funds are used by NDCAA in their efforts of working with this program in all regions of the state; CF&N funds were used as part of the funding for the venison and commodity cookbooks that were developed for this initiative; and the CAAs use CSBG to support the staff and operational costs of the agency in providing the services related to this initiative.



Saving Our Cents Individual Development Accounts (IDA) program - Red River Valley Community Action was the first CAA in ND to offer this innovative program. Now, six of the seven CAAs offer this program to low income clients. IDAs are long-term, 2:1 matched savings accounts that can be utilized by low income families to save for a first home, post-secondary education or small business start-up or expansion. Participants learn skills necessary to develop life-long savings habits by attending financial literacy and budgeting classes and working with the support of CAA case managers. In 2005 there were 22 CAA clients enrolled in the IDA programs. They saved a total of \$14,166.31 in their IDA accounts which will be matched 2:1 when they reach their goals. The match is provided by the Assets for Independence (AFI) grants and local financial institutions that the CAAs have partnered with for this program. There were eight individuals who graduated from the IDA program in 2005 because they had reached their savings goal. Two used their savings and the 2:1 match to capitalize a small business; one used the money for post-secondary education; and five used the funds toward the purchase of a home.

A staff member of RRVCA coordinates the program statewide, writes the AFI grants and provides training and technical assistance statewide for other CAA staff. Through the ND Community Action Association's partnership with South Dakota CAAs, the RRVCA coordinator of IDAs is now also writing grants and providing technical assistance to the four SD CAAs through the ND/SD Regional IDA Collaborative.

CSBG funds are critical to the IDA initiative because of the financial support that is provided to all CAA programs and the operational support of the agency that is provided by CSBG.